



DISASTER NEWS

Economic Injury Loans for Small Businesses

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

Release Date: Aug. 21, 2012
Release Number: 12-775 IN 13235

Contact: Michael Lampton
Phone: 404-331-0333

SBA Economic Injury Disaster Loans Available in Illinois Following Secretary of Agriculture Disaster Declaration for Drought

ATLANTA - The U.S. Small Business Administration announced today that federal economic injury disaster loans are available to small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private non-profit organizations of all sizes located in Iroquois and Vermilion counties in **Illinois** as a result of drought that began June 19, 2012.

“These counties are eligible because they are contiguous to one or more primary counties in **Indiana**. The Small Business Administration recognizes that disasters do not usually stop at county or state lines. For that reason, counties adjacent to primary counties named in the declaration are included,” said Frank Skaggs, director of SBA’s Field Operations Center East in Atlanta.

“When the Secretary of Agriculture issues a disaster declaration to help farmers recover from damages and losses to crops, the Small Business Administration issues a declaration to assist eligible entities affected by the same disaster,” Skaggs added.

Under this declaration, the SBA’s Economic Injury Disaster Loan program is available to eligible farm-related and nonfarm-related entities that suffered financial losses as a direct result of this disaster. With the exception of aquacultural enterprises, SBA cannot provide disaster loans to agricultural producers, farmers or ranchers. Nurseries are eligible to apply for economic injury disaster loans for losses caused by drought conditions.

Loan amounts can be up to \$2 million, with interest rates of 3 percent for non-profit organizations and 4 percent for small businesses. Terms can be up to 30 years. The SBA determines eligibility based on the size of the applicant, type of activity and its financial resources. The agency sets loan amounts and terms based on each applicant’s financial condition. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans are not intended to replace lost sales or profits.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA’s secure website at <https://disasterloan.sba.gov/ela>.

Disaster loan information and application forms may also be obtained by calling the SBA’s Customer Service Center at 800-659-2955 (800-877-8339 for the deaf and hard-of-hearing) or by sending an e-mail to disastercustomerservice@sba.gov. Loan applications can be downloaded from the SBA’s website at www.sba.gov. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Completed loan applications must be returned to SBA no later than **April 15, 2013**.

###

For more information about the SBA’s Disaster Loan Program, visit our website at www.sba.gov.